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"(*d*) There is no such proposal under the consideration of Government but the services of temporary men selected for regular appointment are regularized where necessary from a date prior to selection, if vacancies exist.

"(*e*) The answer is in the negative to the first half of the question. The second part is not intelligible."

Oil industry.

* 38 *Q.*—SRI R. SURYANARAYANA RAO: Will the Hon. the Minister for Industries be pleased to state—

(*a*) the names of concerns connected with oil industry which have applied for assistance since 1946 under the Madras State-Aid to Industries Act and the names of those concerns which have been granted assistance;

(*b*) what the nature and quantum of assistance given in each case are;

(*c*) whether the conditions governing assistance are the same in all cases;

(*d*) whether the Karnatak Vegetable Oils and Refineries, Limited, Hospet, applied for State-Aid more than once;

(*e*) whether the concern has been refused assistance and if so, what the grounds of refusal are;

(*f*) whether it is a fact that the assistance for clearance of prior debts is one of the objects of State-Aid under the State-Aid to Industries Act;

(*g*) whether the purchase of equipment and machinery required for the industry is also one of the accepted objects of State-Aid;

(*h*) whether it is a fact that the grounds mentioned in clauses (*f*) and (*g*) above are the main grounds on which assistance has been refused to the Hospet factory; and

(*i*) whether any representation has been received by the Government on the subject and if so, how it has been dealt with?

THE HON. SRI C. PERUMALSAMI REDDI:—"(*a*) & (*b*) A Statement[a] containing the information is placed on the table of the House.

"(*c*) The conditions governing the grant of assistance are those stipulated in the Madras State-Aid to Industries Act and the Rules framed thereunder and they are generally the same.

"(*d*) Yes, Sir. Twice.

"(*e*) Yes, Sir. The Board of Industries unanimously recommended the rejection of the applications and the applications were therefore rejected under section 8 (5) of the Madras State-Aid to Industries Act, 1922.

[a] Printed as Appendix I on pages 639–640 infra.

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" (*f*) & (*g*) The Madras State-Aid to Industries Act does not stipulate the objects for which loans may be given to industrial units. Each case is considered on its merits and assistance is being given in the appropriate cases to facilitate clearance of prior debts and for the purchase of machinery and equipment.

" (*h*) The matter is confidential and it will not be in public interest to disclose the grounds of refusal.

" (*i*) No such representation has been received."

SRI R. SURYANARAYANA RAO :—" In respect of the Palghat Mills Nos. 22 and 23 in the list which are working and in respect of which the applicants wanted some help by way of working capital, may I know why the Government have refused aid? "

THE HON. SRI C. PERUMALSAMI REDDI :—" I am not able to disclose the reasons why the Board of Industries rejected the applications; because they are confidential."

SRI R. SURYANARAYANA RAO :—" May I know whether the recommendations of the statutory Board of Industries are not reviewed by the Government and whether the Government accept them without seeing whether they are correct or not? "

THE HON. SRI C. PERUMALSAMI REDDI :—" They are reviewed by the Government. When refused we cannot take action against the refusal. But when sanctioned, we can refuse on reviewing."

SRI R. SURYANARAYANA RAO :—" In cases where the grounds of refusal given by the Board are not considered by the Government as satisfactory, may I know why not the Government take power to review such cases? "

THE HON. SRI C. PERUMALSAMI REDDI :—" Unless the Act is amended, the Government cannot take action on it."

SRI R. SURYANARAYANA RAO :—" As the recommendations of the Board are confidential and as the parties are not informed why their applications have been rejected, will the Government consider the desirability of taking powers to review the cases—whether they are recommended or rejected by the Board? "

THE HON. SRI C. PERUMALSAMI REDDI :—" Yes, Sir. The Government will consider that."

[*Note*.—**An asterisk (*) at the commencement of a speech indicates revision by the Member.**]

II.—MESSAGES FROM ASSEMBLY.

MR. CHAIRMAN :—" I have to announce to the House that I have received the following messages from the Hon. the Speaker of the Madras Legislative Assembly, dated the 29th March 1950 :—

' (1) In accordance with rule 99 of the Madras Assembly Rules, I transmit a copy of the Madras Appropriation Bill, 1950